

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 392 - HB 365

February 18, 2013

**SUMMARY OF BILL:** Creates a Class D felony for importing a controlled substance, an imitation controlled substance, a controlled substance analogue, or any synthetic equivalent of a controlled substance into the State with the intent to sell.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures – \$886,000/Incarceration\***

Assumptions:

- According to the Department of Correction (DOC), there were 38,276 drug offenses cleared, or processed by local law enforcement, last year in Tennessee. According to the DOC, it is assumed that one percent of these would be arrested for importing a controlled substance with the intent to sell. It is further assumed that five percent of that one percent would be convicted. The bill would result in 19 Class D felony admissions  $[(38,276 \times 0.01) \times 0.05 = 19.12]$ .
- According to the U.S. Census Bureau, population growth in Tennessee has been 1.12 percent per year for the past 10 years, yielding a projected compound population growth of 11.78 percent over the next 10 years. Population growth will account for two  $(19 \times .1178)$  additional admissions for a total of 21  $(19 + 2)$ .
- The average time served for a Class D felony is 1.80 years.
- According to the DOC, the average operating cost per offender per day for calendar year 2013 is \$64.17.
- The maximum cost in the tenth year, as required by Tenn. Code Ann. § 9-4-210, is based on 21 offenders serving an additional 1.80 years (657.45 days) for a total of \$42,189  $(\$64.17 \times 657.45 \text{ days})$ . The cost for 21 offenders is \$885,969  $(\$42,189 \times 21)$ .
- Given the small number of convictions the bill would result in, it is assumed that any impact on the caseloads of the District Attorneys General Conference, the District Public Defenders Conference, or the courts can be accommodated within existing resources without an increased appropriation or reduced reversion.

\*Tennessee Code Annotated § 9-4-210 requires an appropriation from recurring revenues for the estimated operation cost of any law enacted after July 1, 1986 that results in a net increase in periods of imprisonment in state facilities. The amount appropriated shall be based upon the highest cost of the next 10 years.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

/trm